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CENTRAL INTELLIGENCE AGENCY

INFORMATION FROM FOREIGN DOCUMENTS OR RADIO BROADCASTS

CD NO.

COUNTRY

China

DATE OF

SUBJECT

Economic - Industrial activity

INFORMATION 1949-50

HOW

**PUBLISHED** 

Daily newspapers

DATE DIST. 24 Mar 1950

WHERE

PUBLISHED

Hong Kong; New York

NO. OF PAGES

**PUBLISHED** 

9 Jan - 27 Feb 1950

LANGUAGE

Chinese

SUPPLEMENT TO REPORT NO.

THIS IS UNEVALUATED INFORMATION

SOURCE

Newspapers as indicated.

## PRIVATELY CWNED IRONWORKS ENJOY BOOM; SOVIET TECHNICIANS STIMULATE PRODUCTION

PEI-P'ING IRONWORKS PROSPER UNDER CCP -- Wen-hui Pao, 5 Feb 50

Pei-p'ing, l February (Hsin-hua) -- The private ironworks in Pei-p'ing have increased to more than 1,000 during the past year as compared to some 740 before the liberation of the city, and they are enjoying an unprecedented boom under the CCP regime. The majority of these ironworks are now under contract to produce goods for the government, as shown by the following examples:

- 1. More than 40 ironworks, including Tz'u-hsing, Shu-chiang, I-hsin and Ta-chung ironworks, are under contract to manufacture more than 1,000 tons of pipes, screws, and other iron products for the North China Water-Conservation Committee of the Ministry of Agriculture and the Materials Bureau of the Ministry of Railroads of the Central People's government. More than 50 others, including the Shuang-li-ch'eng and Hsin-chien ironworks, are under contract to produce more than 7,000 water wheels.
- 2. Chin-lun, Ch'ang-shih, and ten other private ironworks have contracted to manufacture electric appliances for the government-owned North China Electric Company.
- 3. Shih-pao, 0-feng, and six or seven other factories have contracted to produce a large quantity of technical, medical, and chemical apparatus for cultural, educational, and health institutions.
- 4. Li-an Steel Crucible Works has received orders from Pei-p'ing, T'ienching and the Northeast, and produced approximately 3,000 steel crucibles in 1950.
- 5. Chien-kuo Steel Mill has furnished 250 tons of iron in 1950 to Pei-p'ing national enterprises.

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Because of lack of experience in operations, there are faults in the system of national or municipal enterprises subcontracting work to the private enterprises. Products of inferior quality are produced and delivery dates are not met. Because of these and other reasons, whenever there are to be transactions between public-controlled enterprises and private firms, such transactions shall be supervised by the chief control section (chu-kuan pu) of the municipal government in order that matters may be coordinated, and contracts distributed to private firms in accordance with actual capacity potentials. The products shall be strictly inspected with the view toward cutting down expenses and raising the standard of the production.

PRODUCTION SKYROCKETS WITH SOVIET TECHNICIANS' AID -- Hua-ch'iao Jih-pao, 27 Feb 50

A Pei-p'ing report, of 15 February, published in the Hong Kong edition of the Ta Kung Pao states that industrial production in the Northeast and North China is booming due to the efficient aid given by Soviet technicians. At the same time, technical processes and the quality of the product are showing great improvement.

After the Soviet technicians had been at the Northwest Steel and Iron Company plant in T'ai-yuan only one month, production doubled that of the period when the Japanese were in control.

With the aid of Soviet technicians at An-shan in the Northeast, the output of the No 2 blast furnace was boosted to 21 percent above the highest production record during the Manchukuo regime. The time required for coke production has been reduced from 24 to 16 hours.

After reorganization of labor and operation methods by Soviet technicians, the steel ingot, steel strap, and steel cable production, during January, at the T'ien-ching Steel Works averaged 62 percent above the original production estimates.

With the same kind of aid, the No 1 smelter at the Shih-ching-shan Steel and Iron Works near Pei-p'ing established a new record of 74 percent higher production per day in late December than the best record under KMT management.

NEW CCP HEAVY INDUSTRY PLANS -- Hua-ch'iac Jih-pao, 14 Feb 50

Hong Kong, 11 February (AP) -- The Pei-p'ing radio has announced the heavy-industry plans of the Central government for the current year. The area to be emphasized is the Northeast and the items are fertilizer, dyestuffs, and cement. In North China and other areas, the chemical industry will be encouraged in the production of acids and sode.

The report is the result of a 13-day national heavy-industry conference, called by the Ministry of Heavy Industries at Pei-p'irg. The meeting closed 7 February.

COMMUNISTS PLAN EXPANSION OF MOTION-PICTURE INDUSTRY -- Wen-hui Pao, 17 Jan 50

Pei-p'ing, 16 January -- Plans for the expansion and improvement of the motion picture industry in 1950 were discussed and decided at the joint meeting of the staff members of the Motion Picture Bureau of the Ministry of Culture and the representatives of the motion picture studios, held here from 21 November through 14 December 1949. It was pointed out, at this meeting, that the present motion picture industry in Communist China, owned and operated by the government, is not producing enough movies to meet the demands of the theaters,

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factories, farms, and par y organizations. Neither is the industry self-supporting. Its production costs drain a large amount from the government treasury. It was pointed out that the way to remedy this situation is, of course,
to increase output. At the same time, this output must be supplemented by
films produced by the private motion-picture industry and by those produced
in Russia, and other foreign nations. It was emphasized that the present government-owned industry must be conducted on a commercial basis, so as to make
it as nearly self-supporting as possible.

The Motion Picture Bureau is planning to produce 84 films during 1950 at its three motion picture studios in the Northeast, at Pei-p'ing, and at Shanghai. They will be divided as follows: 26 on historical subjects, 17 newsreel films, one cartoon, and 40 Russian films (mostly historical features and newsreels.) In addition, the plan calls for the production of 48 short newsreels and 36 Russian educational films.

All producers must exert their efforts to produce propaganda and educational material.

For the circulation of films, the bureau has decided to organize 700 motion-picture projection units which will go about the country showing movies to the military personnel, factory workers, farmers, and various party organizations. Of these, 260 units will be assigned to the military forces, and 440 for civilian audiences.

SHAN-T'OU DEVELOPS INDUSTRY -- Wen-hui Pao, 12 Jan 50

The city of Shan-t'ou (Swatow) has experienced a great industrial expansion since its liberation, especially in the fields of cloth weaving and needlework. Most of the firms which closed down prior to liberation have been reopened, and many new firms have begun operations.

The following table demonstrates Shan-t'ou's industrial development:

Industry	Firms in 48	Closures	New Firms	Present No
Cloth weaving	37	2	13	50
Needlework	37 86	5	19	105
Soap	18	ź	2	20
Glass	7	3		4
Electric	•	,		*
batteries	2			•
Containers	13	11		2 5
Rice hulling	1.6	9	1	_
Yarn	140	35		17 108
Matches	5	Δ		
Cigarettes	á	ž		2
Shipbuilding	23	14		Ţ
Oil Pressing	13			9
	د-	3		10
Total	1.20			
TOUGE	418	95	35	381

RESTORES FAMOUS CERAMICS CENTER -- Wen-hui Pao, 9 Jan 50

Nan-ch'ang, 7 January (Hsin-hua) -- The ceramics industry in Ching-te-chen in Kiangsi, is now being rapidly restored by the people's government. As of 30 November 1949, operations had been resumed in 1,375 enterprises, employing 9,551 persons. The total quantity of ceramic products sent to market in September, October, and Novy per amounted to more than 135,000 piculs.

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